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# THE PRODUCTIVE NATURE OF SERVICE LABOUR—A CRITICISM ON THE CONTROVERSY CONCERNING PRODUCTIVE LABOUR—

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# THE PRODUCTIVE NATURE OF SERVICE LABOUR

## — A CRITICISM ON THE CONTROVERSY CONCERNING PRODUCTIVE LABOUR —

By Isao HASHIMOTO \*

### I

This paper is intended as a study of the main points of dispute concerning productive labour as they are seen to reflect different points of view in this country as well as in the Soviet Union, East Germany, France, etc. A criticism of the main points in the conventional arguments, which will be based on the conclusion of this papers, will be undertaken at a late date.

To begin with, the following three points must be borne in mind in respect to this papers. Firstly, the criticism of the arguments taken up here is limited to some of the most important points at issue, although a great number of arguments regarding productive labour have been vigorously developed by innumerable disputants. Secondly, it may be true that a historical study of the theories in this field is a requirement of prime importance, but no such study is attempted here. Thirdly, it is with commercial labour that our concern lies. Nevertheless for the sole purpose of this discussion, the present study will deal with service labours in the broader sense and not the narrower sense of commercial labours.

### II

As is widely known, there have been a great number of sprinted arguments on the subject of productive labour<sup>1)</sup>. Yet many of them seem, to focus attention on one debatable point — namely whether service labour can reasonably be regarded as productive labour or as unproductive labour.

The theories on this point may roughly be divided into two. The first holds that even service labour should be regarded as productive labour. Of writers who have recently developed theories based on this view, the following may be cited : J. R. Hicks, J. S. Stamp, S. Kuznets, A. C. Pigou,

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1) The summary of these controversies is shown in the author's article "Service Rodo to Seisanteki Rodo (Service Labour and Productive Labour)", in *Hoken no Kindaisei to Shakaisei (The Modern and Social Character of Insurance)*, 1965, p. 209ff.

C. Clark, etc<sup>2)</sup>. This body of theory, which holds that service labour is also productive labour, is based on the view held and variously developed by what may be called the bourgeois or vulgar economists. These theories, which maintain that "it is convenient to say that the things produced by producers and consumed by consumers are of two kinds material goods and immaterial services"<sup>3)</sup>, do not accept the fundamental difference, as expounded by J. R. Hicks, between the production of goods which is material and that of service which is immaterial. (This point has not been taken up in the present paper as a primary object of study.)

The second theory holds that service labour should, fundamentally speaking, be regarded as unproductive labour. This view is one that has been developed principally by Marxian economists. Theories based on this view are found to be fundamentally different from those that make no difference between the labour which produces material goods and the labour which produces immaterial service. Nevertheless it is found that there exist considerable differences of view as to the nature of service labour, although each of these theories is based on the same presupposition of the labour theory of value, and as a result we have a great number of theories. In particular we have one type of theory which persistently emphasises the service labour should definitely be conceived as unproductive labour may be cited: The following exponents of this theory A. Paltsev<sup>4)</sup>, H. Koziolk<sup>5)</sup>, F. Behrens<sup>6)</sup>, Institut für Oekonomie, Akademie der Wissenschaften, *Politische Oekonomie*; Profs. K. Nonomura<sup>7)</sup>, K. Asobe<sup>8)</sup>, K. Tanaka<sup>9)</sup>, M. Soeda<sup>10)</sup>, K. Sakata<sup>11)</sup>, H. Yamada<sup>12)</sup>, R. Mikami<sup>13)</sup>, T. Ikumi<sup>14)</sup>, E. Takenaka<sup>15)</sup>, H.

2) J. R. Hicks, *The Social Framework of Economy*, 1950.

3) *Ibid.*, p. 22.

4) A. Пальцев, Национальный доход при капитализме, 1954, стр. 10.

5) H. Koziolk, *Zur marxistisch-leninistischen Theorie des Nationaleinkommens*, 1953, Tr. by T. Toyokawa & T. Inoue, *Marx-Lenin-Shugi Kokumin Shotoku Ron*, 1954.

6) F. Behrens, *Die Arbeitsproduktivität*, 1953.

7) K. Nonomura, *Kokumin Shotoku to Saiseisan (National Income and Reproduction)*, 1958, p. 195.

8) K. Asobe, "Seisanteiki Rodo to Service (Productive Labour and Service)", *Mita Gakkai Zasshi*, Vol. 50, No. 12, Dec. 1957.

9) K. Tanaka, "Seisanteiki Rodo no Gainen (Concept of Productive Labour)", *Keizai-gaku* (Tohoku University), No. 17 and 18, 1950.

10) M. Soeda, "Seisanteiki Rodo to Fuseisanteiki Rodo (Productive Labour and Unproductive Labour)", *Keizai-gaku Kenkyu* (Kyushu University), Vol. 21, No. 4, 1956.

11) K. Sakata, "Kokuminshotoku Tokei karamita Nippon Keizai no Ichidanmen (An Aspect of the Economy of Japan from the Viewpoint of National Income Statistics)", *Keizai Hyoron*, Oct. 1955.

12) H. Yamada, "Seisanteiki Rodo ni tsuite (On Productive Labour)", *Keizai Kenkyu* (Hitotsubashi University), Vol. 6, No. 1, Jan. 1955.

13) R. Mikami, "'Seisanteiki' aruiwa 'Fuseisanteiki' Seikaku ni tsuite (On the 'Productive' or 'Unproductive' Character of Labour)", *Keizai Ron* (Wakayama University), No. 43.

14) I. Ikumi, *Joyokachi to Ri jun (Surplus Value and Profit)*.

15) E. Takenaka, "Chinrodo Bunseki jo ni okeru Fuseisanteiki Koyo (Unproductive Employment in the Analysis of Wage Labour)", *Keizai-gaku Zasshi* (Osaka City University), Vol. 40, No. 2.

Hayashi<sup>16)</sup>, and for their recent, excellent studies in Japan — Profs. K. Nishimura<sup>17)</sup>, H. Kaneko<sup>18)</sup>, F. Morishita<sup>19)</sup>, and Y. Nagaoka<sup>20)</sup>.

On the other hand we have another type of theory which holds that even service labour should be conceived as productive labour under certain conditions. For example, such views are held by Profs. H. Arizawa and T. Nakamura<sup>21)</sup>, K. Sakiyama<sup>22)</sup>, T. Horie<sup>23)</sup>, S. Yanagi<sup>24)</sup> and I. Ito<sup>25)</sup>. How, is it then, that such divergent views have spring into being and given rise to such strenuous dispute?

Putting it simply, it is because productive labour is conceived from two different angles. In particular one view is based on the “*general viewpoint conceived from the labour process*” or “the general and basic meaning from the point of view of the mere labour process of production”, and the other one is based on the “*historical viewpoint under capitalistic production*” or “the historical meaning from the point of view of a specific social form of capitalistic production”. The theories based on the view that service labour should be regarded as unproductive, such as those formerly cited, are said to be chiefly based on “*the general viewpoint*”, while the others which hold the view that service labour should be regarded as productive labour are said to be in many cases based on “*the historical viewpoint*”. Now, for the convenience of the present discussion, these two different viewpoints can be briefly described as follows:

“The general viewpoint” maintained in the first theory is referred to in Section I of “The Labour-Process in General” in Section I, Chapter V of Part III, Vol. I of *Capital* by K. Marx, where it says that “if we examine

16) H. Hayashi, “Kokumin Shotoku to Zaisei (National Income and Public Finance)”, *Keizai Hyoron*, Aug. 1958.

17) S. Nishikawa, “Kokumin Shotoku to iwayuru Service Rodo (National Income and the so-called Service Labour)”, *Keizaigaku Zasshi* (Osaka City University), Vol. 50, No. 2-3, Mar. 1964.

18) H. Kaneko, “Kokumin Shotoku no Rironteki Shomondai (Theoretical Problems of National Income)”, *Keizai to Keizaigaku* (Tokyo City University), No. 14, 1965.

19) N. Morishita, Shogyoshihon to Shogyorijun (Commercial Capital and Commercial Profit), in Capital-Series, No. 4, 1964.

20) Y. Nagaoka, “Seisanteki Rodo to Kachi (Productive Labour and Value)”, *Keizaigaku* (Fukuoka University), Nov. 1964.

21) H. Arizawa and H. Nakamura, *Kokumin Shotoku (National Income)*, 1955; H. Nakamura, “Kokumin Shotoku Riron no Igi to Hihan (Significance and Critique on the Theory of National Income)”, *Keizai Hyoron*, Oct. 1959.

22) K. Sakiyama, “Seisanteki Rodo to Fuseisanteki Rodo (Productive Labour and Unproductive Labour)”, *Keizai Ronso* (Kyoto University), Vol. 79, No. 1, 1957.

23) T. Horie, “Rodokachisetsu to Kokuminshotokuron (Labour Theory of Value and National Income Problem)”, *Keizai Orui*, Oct. 1958.

24) S. Yanagi, “Shogyorodo no Seikaku ni tsuite (On the Character of Commercial Labour)”, *Shakaikagaku Ronshu*, No. 2.

25) I. Ito, “Shogyoshihon, Shogyorijun, Shogyorodo oyobi Kokuminshotoku (Commercial Capital, Commercial Profit, Commercial Labour and National Income)”, *Hokai Ronshu* (Niigata University), Vol. 2, No. 1, Nov. 1961.

the whole process from the point of view of its result, the product, it is plain that both the instruments and *the subject of labour*, are *means of production*, and that the labour itself is the *productive labour*"<sup>26)</sup>. Again in Marx's manuscripts, *The Results of the Direct Process of Production*, the following statement is found: "if we examine the simple viewpoint of the process of labour in general, the labour, which is realised in product, materially speaking, in commodity, has been taken as productive"<sup>27)</sup>. In short, this viewpoint is none other than that conceived from the viewpoint of "the labour-process in general" which does away with the historical and special viewpoint, i. e. "the general viewpoint conceived from the labour-process".

While on the other hand "the historical viewpoint under the capitalist production" is simply the viewpoint expounded principally in *The Theories of Surplus Value* in Part IV of *Capital*. For example, the following statement is made in the "Theories of Productive and Unproductive Labour". "So what is productive labour? Labour which produces a surplus value, a new value over and above the equivalent which it receives as wages"<sup>28)</sup>. Again, as seen in *The Results of the Direct Process of Production*, "the labour which directly produces the surplus value is exclusively productive, and the user of labour capacity which directly produces the surplus value is exclusively a productive labourer"<sup>29)</sup>. In addition the view that regards the labour which creates surplus value as productive labour can be found in many places in *The Theories of Surplus Value*<sup>30)</sup> and *The Results of the Direct Process of Production*<sup>31)</sup>.

So much by way of a brief explanation of what is meant by "the general viewpoint" or and "the historical viewpoint". Now, our next problem, which necessarily arises out of this, is how to explain the mutual relationship between these two viewpoints, a problem already raised by professors such as Asobe and Sakiyama<sup>32)</sup>. In other words, how could such a seemingly contradictory relationship — one theory denominating service labour as unproductive chiefly on the basis of "the general viewpoint", and the other theory denominating it as productive on the basis of the

26) K. Marx, *Das Kapital*, Dietz Verlag, Bd. I, S. 189.

27) K. Marx, *The Results of the Direct Process of Production*.

28) K. Marx, *Theorien über den Mehrwert*, S. 164, *Theories of Surplus-Value*, Moscow, Foreign Languages Publishing House, Pt. 1, p. 196.

29) K. Marx, *The Results*.

30) Cf. *Theorien* as to the standpoint of surplus value, SS. 115, 119, 357, 359, etc.

31) K. Marx, *The Results*.

32) K. Asobe "Seisanteki Rodo to Service (Productive Labour and Service)", *Mita Gakkai Zasshi*, Vol. 50, No. 12, p. 1; K. Sakiyama, "Seisanteki Rodo to Kotsurodo (Productive Labour and Transportation Labour)", *Keizai Ronso* (Kyoto University), Vol. 79, No. 1, 1957, p. 109, etc.

“historical viewpoint” — ever come into existence?

### III

The problem of the mutual relationship between the two different interpretations of productive labour — “general” and “historical” — has already been discussed in a separate papers<sup>33</sup>. Without going into that study in detail here, its conclusion can be given as follows. The relationship of the two viewpoints contains elements of both opposition and unity. In other words the relationship should be elucidated in the light of the dialectic relationship of “the unity of contradictions”.

But of course the mere repetition of such abstract arguments would not lead to the solution of the conventional controversies<sup>34</sup>. The problem is how it comes about that service labour is looked upon as unproductive from “the general viewpoint” and productive from “the historical viewpoint”. In particular the problem lies in *the opposed aspect of the two viewpoints*.

If a method of solution is to be suggested first, the reason why the two viewpoints are contradictory should be examined from two angles: the first should provide a historical clarification giving due consideration to “*the subjection process of labour to capital*”. The reason should provide a theoretical explanation especially by clarifying *the relationship* between “*the social viewpoint*” and “*the individual capitalist's viewpoint*”, which through the steps of logical development in conformity with “the methodology of political economy”, i. e. proceeding from simplicity to complexity and from abstract to concrete. Since the detailed study of these two aspects is to be given in a separate paper<sup>35</sup>, for the purpose of this paper the conclusion above may be cited.

First of all, the classification of productive and unproductive labour will be shown as follows.

#### (A) Classification of Productive Labour from “the General Viewpoint”

According to “the general viewpoint” based on the labour-process of productive labour, i. e. the use-value or general and basic meaning from

33) I. Hashimoto, “Service Rodo to Seisanteiki Rodo (Service Labour and Productive Labour)”, Chap. 3; and The collected theories in commemoration of the retirement of Prof. T. Hisakawa, *Hoken no Kindaisei to Shakaisei (The Modern and Social Character of Insurance)*, 1965, p. 209ff.

34) For instance, Prof. N. Niwata is quite right to contend the dialectic unification of these two viewpoints. Yet it must be said that he is far from giving a fundamental solution to the problems, due to the lack of thorough-going treatment of the related content. N. Niwata, *Hokenkeizogaku Zyogetsu (Insurance Economics)*, p. 174.

35) Cf. I. Hashimoto “Service Rodo to Seisanteiki Rodo (Service Labour and Productive Labour)”, Chap. 4 & 5.

the point of view of the mere labour process of production, all kinds of labour can be classified according to its function as follows:

Firstly comes the labour that belongs to the field of material production: it is the labour which is realised in some kind of product. Therefore, it belongs to productive labour.

- (a) Labour that produces material goods in the true sense of the word. For example, such industries as agriculture, mining, fishing, manufacturing, construction work, etc.: labour in the field where nature is transformed by a man.
- (b) Mental labour caused by the development of the division of labour in the labour-process in the field of material production. For instance, such labour as planning, designing, and the devising of material goods as is done by engineers: it arises from the fact that as the cooperative character of the labour-process becomes more and more marked, "so, as a necessary consequence, does our notion of productive labour, and of its agent the productive labourer become extended"<sup>36</sup>.
- (c) Mental labour caused by control or supervision in the labour-process in the field of material production. For instance, controlling labour, supervision labour, etc. "....., all labour in which many individuals cooperate necessarily requires a commanding will to co-ordinate and unify the process, and functions which apply not to partial operations but to the total activity of the workshop, much as that of an orchestra conductor. This is a productive job, which must be performed in every combined mode of production"<sup>37</sup>.
- (d) Labour in the production-process which is extended into the circulation-process. For instance, labour engaged in storage, transportation, etc.

Secondly comes the labour that belongs to fields other than material production. It is the labour which is not realised in any kind of product. Henceforth in this papers it will be termed service labour, and it belongs to unproductive labour.

- (a) Labour that functions in the process of circulation and is connected with the realisation of goods. For instance, labour engaged in commerce.
- (b) Service labour of which production and consumption cannot be isolated in terms of time and place. For instance in the case of musical performers, actors, teachers, pastors, etc.
- (c) Service labour of which production and consumption can be isolated because the result of the activity of production is something independent.

36) K. Marx, *Das Kapital*, Bd I, S. 553, *Capital*, Moscow, Foreign Language Publishing House, Vol. I, p. 508.

37) *Ibid.*, Bd. III, S. 419, *Capital*, Vol. III, 1959, p. 376.



For instance in the case of painters, writers, etc<sup>38)</sup>.

In conclusion it can be said that service labour belongs to unproductive labour seen from "the general viewpoint" based on the labour-process in general.

(B) Classification of Productive Labour from "the Historical Viewpoint"

The classification from "the historical viewpoint" — the process of producing value or surplus value or, historical meaning from the point of view of a specific social form of capitalistic production — is comparatively simple. The key point is whether the labour concerned is engaged in the process of capitalistic production or not. Putting it in another way, the dividing line is whether the process of production is controlled by capital, the labour being thereby subjected to capital.

Firstly comes the labour in the field of production controlled by capital, which is productive labour:

- (a) The kind of labour belonging to the field of production of material goods.
- (b) The kind of labour belonging to the field of non-material production, i. e. labour in the field of service. (Service labour of this kind can be looked upon as productive labour in a sense, but a further discussion of this problems will be entered into later.)

Secondly comes the labour in the field of production which is not controlled by capital:

- (a) Labour engaged by a small commodity producer such as an independent handicraftsman or farmer. Since this type of labour does not produce any surplus labour, it does not belong to productive labour.
- (b) Service labour which can be purchased by income instead of capital. For instance, the tailor who gives service direct to the consumer<sup>39)</sup>.

In short we can now arrive at the conclusion that service labour belongs to productive labour in so far as it is employed by capital, from "the historical viewpoint" of productive labour, i. e. in terms of surplus value. Now, all of the forementioned classifications can be simplified in the form of a table as shown on the following page.

#### IV

The problems at this point is not to make a detailed classification of productive labour, but to clarify the mutual relationship between "the

38) H. Asobe, "Seisanteki Rodo to Service (Productive Labour and Service)", *Mita Gakkai Zasshi*, Vol. 50, No. 12, Dec. 1957, p. 3.

39) *Theorien über den Mehrwert*, S. 365.

Classified Table of Productive Labour

General Viewpoint (Based on Value in Use)		Historical Viewpoint : Capitalist Viewpoint of Productive Labour (Based on Surplus Value)						THE PRODUCTIVE NATURE OF SERVICE LABOUR						
Productive Labour	Labour Producing Material Goods	Productive Labour		Unproductive Labour		Neither Productive, nor Un-Productive Labour								
		Capitalistic Production		Non-Capitalistic Production										
		Labour exchanged for Capital		Labour exchanged for Income		Labour of Small Commodity Producer								
		Substantial Production of Goods		Private Production of Goods		Furniture Making by Servants, etc.			Labour in the Process of Producing Material Goods by Small Commodity Producer		Building, Fishing, Mining, Agriculture			
(A) Production of Material Goods		Industries such as Building, Manufacturing, Fishing, Mining, Agriculture												
Un-Productive Labour	Service Labour	Unsubstantial Production of Goods		Labour exchanged for Income										
		(B) Mental Labour in the Field of Material Production		Engineering, Administration,										
		(C) Labour in the Field of Production-Process extended to Circulation-Process		Transportation, Storage		Private Transportation or Storage			Transportation by Servants, etc.		Labour in the Field of Production-Process extended to Circulation-Process by Small Producer		Transportation by Small Commodity Producer	
		Labour in the Field of Pure Circulation-Process under Capitalist		Commercial Labour		Private Service			Servant, Private Teacher		Commercial Labour by Small Merchant		Service Labour in the Field of Individual Business	
Other Service Labour under Capitalist		Doctor, Actor, Teacher, Writer												

Remark : This table has been revised by the suggestion of Prof. S. Nishikawa at Osaka City University and Prof. H. Kaneko at Tokyo City University.

general viewpoint" and "the historical viewpoint".

Now, we begin to clarify from the first aspect, historical clarification, i. e. the subjection process of labour to capital. Of the labour that belongs to the field of material production and the service labour that belongs to fields other than material production, the former will be considered to start with. In this case it is necessary that labour in the field of material production, whether it be productive labour seen from the general or from the historical viewpoint, should be considered in the light of one presupposition, namely the principle of "the subjection of labour to capital". It is just this point that is emphasised in *The Results of the Direct Process of Production* and also in *The Theory of Surplus Value* by K. Marx, and where it is pointed out that, since "the direct subjection to capital" is pre-requisitory<sup>40)</sup>, the distinction between productive and unproductive labour is irrelevant in the case of producers of small commodities<sup>41)</sup>.

Historically the subjection of labour to capital in this way has been a process for establishing capitalistic production. The initial step in its development takes the form of "the formal subjection of labour to capital"<sup>42)</sup>, which is followed by "the substantial subjection"<sup>43)</sup>. The historical process of its development is described as the transition from absolute to relative surplus value in *Capital*, which fact holds true in regard to the direct production process. In addition the historical transition of the subjection to capital can be explained from a different angle, and furthermore this very angle is most important in regard to the problem of service labour. That is to say, capital, historically, tends to subject labour in the field of material production before anything else, and labour in fields other than those of material production, i. e. service labour subsequently. Marx's analysis in *The Results of the Direct Process of Production* and *The Theories of Surplus Value* seems to have been prepared principally on the basis of the initial stage, i. e. the stage during which capital subjects and includes the field of material production. This is an inevitable result of the fact that the forementioned analysis is based on the study of the process of substantial or direct production. It is seen to be self-explanatory if the following quotation from *The Results of the Direct Process of Production* is taken into consideration: "Our knowledge here is only limited to that of capital within the direct process of production"<sup>44)</sup>. Consequently, even

40) *Ibid.*, S. 363.

41) *Ibid.*, S. 370.

42) *The Results*, p. 100ff.

43) *Ibid.*, p. 119.

44) *Ibid.*, p. 138.

when referring to the service labour which exists in fields other than those of material production, service labour is regarded as "*the transitional form*"<sup>45)</sup>. Besides, the particular kind of labour of which "service labour might be directly exploited in the capitalistic system can exist only to a small extent in comparison with the whole of capitalistic production, thereby causing it to be disregarded completely. It should only be considered when wage labour is studied, together with non-productive wage labour"<sup>46)</sup>, according to the current opinions<sup>47)</sup>.

Thus, to elucidate the process of the subjection of labour in the light of its history, explaining its process of development in terms of the transitional process from the field of material production to the fields outside material production, will be of great importance in the understanding of "the historical viewpoint" of service labour<sup>48)</sup>, because the subjection of labour to capital means in itself the "*mystification*"<sup>49)</sup> of capitalistic production and the development of the process of subjection can be regarded as *the process of the development of mystification*<sup>50)</sup>. For instance, the following statement is made in *The Results*: "Now, the mystification which is hidden itself in the capitalistic relation develops more and more beyond the step which is seen and which existed in the mere formal subjection of labour to capital"<sup>51)</sup>. The development of productive force causes the transition from formal subjection to substantial subjection, and furthermore the process of subjection will spread not merely to the field of material production but also to service labour in the fields outside material production. Thereby the mystification keeps growing greater and greater, until it culminates in its completed form.

What, then, can this mystification or fetishism be? What is meant

45) *Ibid.*, p. 132.

46) *Ibid.*, p. 132.

47) The author will discuss merchant's capital under the capitalistic production system at a late opportunity, using the title "The Collateral and Transitional Form" (*Results*, p. 105). Merchant's capital constitutes the historical transition to the substantial capitalistic relationship. This kind of transitional form, however, can only be discussed in its theoretic aspects after an analysis of substantially industrial capital has been made.

48) Though Prof. K. Tanaka did write a noteworthy and excellent essay in which he viewed productive labour in relation to the subjection process of labour to capital, his understanding of "the transitional form" excludes the relationship of the historical development. It must be pointed out that "the transitional form cannot be substantially related to the form of capitalistic production". K. Tanaka, "Seisanteki Rodo no Gainen (The Concept of Productive Labour)", *Tohoku Daigaku Keizaigaku Kenkyu Nenpo*, No. 16 & 17, p. 120.

49) *The Results*, p. 102.

50) As to mystification see *Gendai Syogyo Keizairon (Modern Commercial Economics)*, an excellent study by Prof. N. Morishita (1900), p. 177ff.; & cf. I. Hashimoto, "Service Rodo to Seisanteki Rodo (Service Labour and Productive Labour)", Section 4, A.

51) *The Results*, p. 106.

here are the phenomena that the value-producing force of labour had come into existence as the value-producing force of capital in the particular stage where the capital had formally subjected the field of material production, and moreover that the productivity of labour had also come into existence as the productivity of capital. In other words, what it means is "*the inversion of the relationship*"<sup>52)</sup>. Thus, under the circumstance where the process of the subjection of capital has spread to service labour in the fields outside material production, this mystification will keep growing greater and greater and *the inversion of the relationship* will become complete. Putting it in another way, service labour once used to be regarded as unproductive labour from "the general viewpoint" prior to the involvement by capital, but now it is taken to be "productive labour" from "the historical viewpoint of capitalistic production". It is simply "*the inversion of the relationship*" — the state of being inversed: it is a complete mystification or submergence into fetishism, and it is the very theoretical basis of the viewpoint that regards service labour as productive and constitutes the bourgeois ideology, which holds that the increase of service labour is desirable for the development of the economy, as asserted by C. Clark, etc<sup>53)</sup>. Service labour is basically of an unproductive nature. It only appears to be "productive" under the terms of capitalistic production, as pointed out by F. Behrens<sup>54)</sup>.

Thus, our first problem — why is it that service labour is regarded as unproductive from "the general viewpoint" on the one hand and productive from "the historical viewpoint" on the other? — has been studied in its historical aspect and we can now conclude that this contradiction has been *the result of the development of mystification due to the historical development of "the subjection of labour to capital"*.

In this connection it must be pointed out that "the general viewpoint" of productive labour which transcends specific and historical capitalistic production provides the ground on which "the historical viewpoint" is criticized. Although service labour may appear to be productive from "the historical viewpoint", it should be regarded as unproductive if seen from "the general viewpoint". This, however, will not hold true with labour in the field of material production. Such labour as produces material goods should always be regarded as productive labour whether seen from

52) *Theorien*, I. S. 353.

53) As to the critical ground in favour of the view which regards the increase of service labour as desirable for economic growth and development; it seems to be necessary to prove historically that the increase service labour and the growth rate of an economy tend to stand in the relationship of reciprocal proportion.

54) "Commercial labour is not a productive labour and it only appears as such". F. Behrens, *Arbeitsproduktivität*, 1953, S. 41.

“the historical viewpoint” or “the general viewpoint”. The two viewpoints are unified here. Yet as for as service labour is concerned, the two viewpoints are opposed to each other and inconsistent. This inconsistency stems from the historical development of the process of subjection by capital. The historical development on the one hand makes service labour appear as productive labour from “the historical viewpoint”. As a result, “the qualitative difference”<sup>55)</sup> between the field of material production and service labour, i. e. whether it produces any material goods or not, is concealed and mystified. On the other hand the qualitative difference in “the general viewpoint” that has been mystified on account of “the historical viewpoint” has come to provide the platform for an attack on this mystification<sup>56)</sup>. Correspondingly, the qualitative viewpoint of productive labour — “the general viewpoint” — in turn provides the foundation for criticizing the formal viewpoint — “the historical viewpoint”<sup>57)</sup>. It again provides the ground on which in this intended bourgeois phenomena or the bourgeois ideologies are criticized in the field of productive labour, too. It should be, therefore, in this involved relationship above that the resolution of the opposition and inconsistency between “the general viewpoint” and “the historical viewpoint” in respect to service labour should be sought.

## V

In the foregoing section the reasons why “the general viewpoint” and “the historical viewpoint” in regard to service labour opposed contradict each other have been brought to light from the historical aspect. The furthering of mystification caused by this historical development in turn is reflected in the development of theoretical aspects. Therefore, our study in this section will be made from the second, theoretical aspect, i. e. the

55) *Theorien*, I, S. 124.

56) This point was revised in its expression at the suggestion of Prof. Y. Nagaoka of Fukuoka University, although the content was not changed in my paper “Service Rodo no Seisanteiki Seikaku (The Productive Character of Service Labour)”, *Keizai Ronso* (Kyoto University), Vol. 92, No. 4, p. 52.

57) To give an example in which super-capitalistic production seen in terms of historical materialism provide the ground for criticizing the capitalistic and specific viewpoint of the fictive form, we can point out that the relation of man to man under the general viewpoint appears to be a relation of thing to thing under the terms of capitalist production, and that the productivity of “labour” (under the general viewpoint) comes to appear as that of “capital” under capitalistic production, etc. In addition it is pointed out by Prof. K. Tanaka that the process through which the productive force of an individual labourer manifests itself as the productive force of capital can be regarded as “the process through which the productive force of labour is included. “Seisanteiki Rodo no Gainen (The Concept of Productive Labour)”, *Tohoku Daigaku Keizai-gaku Kenkyu Nenpo*, No. 17 & 18, p. 92.

relationship of the "social viewpoint" and "the individual capitalist's viewpoint".

By the theoretical development is meant the so-called method of political economy. In other words what is meant is the order of logical development made from things abstract to thing concrete, from simplicity to complexity, from things substantial to things phenomenal<sup>58)</sup>.

How, then, should service labour be viewed in terms of the theoretical development of political economy? If the conclusion is to be given here, service labour should be regarded as unproductive both from "the social viewpoint" and "the industrial capitalist's viewpoint", though it should be regarded as productive both from "the individual capitalist's viewpoint" and "viewpoint of individual capital". These views have already been pointed out by Mr. A. Paltsev<sup>59)</sup>, Prof. Kazuo Nonomura<sup>60)</sup>, Prof. Hideo Yamada<sup>61)</sup>, both Profs. of Hitotsubashi University, Prof. Shojiro Ishii<sup>62)</sup> of Wakayama University, etc. However, all these theories so far have been found to be mere mechanical narrations of two different views, and neither the difference nor the theoretical relationship between them has ever been brought to light, as was pointed out by Prof. Takafusa Nakamura<sup>63)</sup> of Tokyo University. What then is implied by the "social viewpoint" or "the individual capitalist's viewpoint"? Leaving the detailed discussion to a separate paper<sup>64)</sup>, the answer to this question can be summed up as follows:

Both "the social viewpoint" and "the individual capitalist's viewpoint" in the plan of Marx's "system of criticism on economics" have been excellently demonstrated by a very brilliant essay of Mr. Kinzabro Sato of Osaka City University<sup>65)</sup>. He makes a distinction between "capital in general" and "competitions". Firstly in the stage of "capital in general" "a capital

58) K. Marx, *Zur Kritik der politischen Oekonomie*, Dietz Verlag, 1951, S. 256.

59) Transl. T. Toyokawa & T. Inoue, *Marx-Lenin-Shugi Kokumin Shotoku Ron (National Income in Terms of the Marxism-Leninism)*, 1954, p.144.

60) K. Nonomura, *Kokuminshotoku to Saiseisan (National Income and Reproduction)*, 1938, p. 38.

61) H. Yamada, "Seisanteki Rodo ni tsuite (About Productive Labour)", *Keizai Kenkyu*, Vol. 6, No. 1, pp. 62-63.

62) S. Ishii, "Kotsuseisansetsu ni tsuitemo Ichikosatsu (An Analysis of Transportation-Production Theory)", *Keizai Riron* (Wakayama University), No. 33, 1950, p. 91; and his thesis "Service Rodo to Kokumin Shotoku (Service Production and National Income)", *Keizai Kenkyu*, No. 33 & 34, also contains very helpful suggestions for straightening out the problems.

63) T. Nakamura, "Kokuminshotoku no Igi to Yakuwari (Significance and Role of the Theory of National Income)", *Keizai Hyoron*, Dec. 1959, p. 111.

64) Cf. I. Hashimoto, "Service Rodo to Seisanteki Rodo (Service Labour & Productive Labour)".

65) K. Sato, "Keizaigaku Hihantaikai to Shihonron (System of Criticism on Economics and Capital)", *Keizaigaku Zasshi* (Osaka City University), Vol. 31, No. 5 & 6, and I owe not a little to this excellent thesis in this aspect.

different from many specific capitals''<sup>66)</sup> is presupposed, and on that assumption "the inner structure of the capitalistic mode of production" is analysed. The capital presupposed here is "industrial capital" which is "the only existent form of capital''<sup>67)</sup>. Consequently, this stage can be called "the viewpoint of industrial capital". Secondly in the stage of "competition", a great number of capitals — not in the form of one capital — give rise to competition among themselves<sup>68)</sup>. Therefore, the form of capital presupposed here is not one industrial capital, but many competitive individual capitals. Hereby the problems are those concerned with competition by many individual capitals, as in the formation of prices through this competition, the formation of the average rate of profit, etc. Hence we can call this stage "viewpoint of individual capital".

Now, the idea of these two viewpoints — the stage of theoretical development — as found in "system of criticism on economics" has been successful even in the current edition of *Capital*, though partially modified, and if it is permitted to make a bold comment, it seems that terms such as "social viewpoint" = "industrial capitalist's viewpoint" = "capital in general" have been treated generally in Volumes I, II and III of *Capital*, and those such as "the individual capitalist's viewpoint = the viewpoint of individual capital = competition" in Volume III<sup>69)</sup>, and needless to say the

66) K. Marx, *Grundrisse der Kritik der politischen Oekonomie*, Berlin, 1954, S. 353.

67) *Das Kapital*, Bd. II, S. 51.

68) Cf. *Grundrisse*, S. 576.

69) Prof. H. Asobe of Keio University takes those viewpoints that are here called the social viewpoint and the viewpoint of individual capital to be "the aspect of social capital as a whole and the aspect of individual capital". Furthermore, he explains the relationship between these two aspects as follows: "what raises the point in this case is what is meant by productive labour in the capitalistic sense of the word? In my opinion I think that it wholly depends on the viewpoint on the phenomenal form of productive labour or the specific form represented peculiarly in capitalistic society. In that sense it exactly represents the viewpoint on the capitalistic form of productive labour. Its meaning as it were, is only applicable to the individual capitalist and to social capital seen as compound of individual capitals" ("Seisanteki Rodo to Service (Productive Labour and Service)", p. 12). Correspondingly, the difference between the two aspects — social capital as a whole and individual capital — is explained in Books I, II and Book III of Vol. II of *Capital* (*Ibid.*, p. 21).

The point at issue in the foregoing discussion may be summed up as follows: Firstly, the viewpoint of the productive labour peculiar to capitalistic society, i. e. the historical viewpoint can in my opinion, be divided into two kinds — the social aspect = the viewpoint from capital in general (= unproductive) and the viewpoint from individual capital (= productive to individual capitalist), thereby providing us with the reversed viewpoint. On the other hand Prof. Asobe makes no such distinction. Important points such as the difference between logical level, the difference between competition and capital in general and the difference between the substantial and the phenomenal, which we find in the two different aspects, are completely disregarded. Consequently and secondly, the difference in the two aspects is explained by Prof. Asobe on the same logical level by intereting the aspect of social capital as an aggregate of many individual capitals.



analysis applied was developed from the substantial stage to the phenomenal stage.

There are two points of immediate importance for the present study with reference to the relationship between "capital in general = the viewpoint of industrial capital" and "competition = the viewpoint of individual capital". The first is the fact that the viewpoint based on viewpoint of "capital in general = the substantial theory" will reveal itself in *the reversed relationship* of the viewpoint of "competition = the phenomenal theory". The second results in the fact that the viewpoint based on "capital in general = the substantial theory" will reveal itself in the form of symbols *reversed* in the consciousness of individual capitalists, i. e. in the form of *mystification* or *inversion*. This fact is closely connected with the problem of interpreting service labour. In other words, it explains why the service labour that is looked upon as unproductive labour according to "the social viewpoint = the substantial theory" comes to be looked upon as productive labour according to "individual capital = the phenomenal theory"<sup>70</sup>. Furthermore, it is quite natural that service labour should appear to be productive, in the mind of the "individual capitalist" who sees only what is phenomenal and not what is substantial. Putting it in another way, it leads the way to *the completion of mystification*. Therefore, even if service labour is regarded as productive, it can only be so regarded in relation to individual capitalists

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But the social point of view does not mean a total of individual capitals. What is required in logical analysis of capital in general. Capital in general is the representative capital in capitalist society, and is logically drawn from the practical sphere in which many individual capitals are strenuously competing with each other.

Thirdly, the analysis of capital in general can be seen principally in Volumes I & II of *Capital* and that of competition in Volume III. The analysis in Part III of Volume II contains not a few points that we cannot understand in terms of the logical stage of capital in general which presupposes "a capital", and thus leaves much still to be explained. I think, this is because the outline of reproduction was very vague as the time when the study was being prepared as can be seen in *Grundrisse der Kritik der politischen Oekonomie*, and as a result of further study, the logical order of capital in general and of competition originally held had to be partially modified, and many problems still remain to be solved. Be that as it may, it must be added that while "the social viewpoint" of Prof. Asobe appears to refer to Book III of Volume II, our "social viewpoint" is concerned with the logical level throughout Volumes I and II which includes the theory of reproduction.

- 70) It seems to be extremely difficult to solve the problems of how and why this reversion should occur in the process of the logical development. It seems that it is concerned with the problem of the development of fetishism in one phase, and also with the problem of the logical development from the substantial to the phenomenal in the other phase. Why is it that the deciding of prices by value from the inner aspect should be revealed in the reversed form such as the formation of prices from the outer aspect by the competition between sellers and buyers?

This problem is also concerned with why wages should be determined not by the value of labour but by the demand and supply of labour. It seems that there is an urgent necessity to throw light on the inner logical structure of capital in general, which is one of many problems left for solution.

and to individual capitals. In particular, as pointed out in Book III of *Capital*, since "the labour which is bought by commercial capital is immediately productive to commercial capital itself"<sup>71</sup>, it cannot be taken to be productive labour from the viewpoint of industrial capital or the social viewpoint.

Now, from the foregoing comparative studies of two opposing aspects — the theoretical approach and the historical approach — the following conclusion can be drawn: Firstly, what corresponds to the stage of historical development during which the field of material production had been subjected by capital is none other than the logical stage which was based on "the social viewpoint = capital in general = the viewpoint of industrial capital". Secondly, what corresponds to the historical development through which not only the field of material production but also the field of service has been subjected by capital is "the individual capitalist's viewpoint = competition = the viewpoint of individual capitals" in the stage of logical development. In short, it must be said that the viewpoint of service labour reveals itself, speaking both historically and logically, in the reversed relationship, resulting in mystification: in particular, the "unproductive" viewpoint has been made to appear "productive".

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71) Marx, *Das Kapital*, III, S. 333, *Capital*, III, p. 296. Still more, by the term productive in the sense of social viewpoint is meant the labour that produces surplus value, while on the other hand in the viewpoint of individual capital it means the labour that *brings* its surplus value to the individual capitalist through the formation of the average profit rate. In short, it is the labour which enables the individual capitalist to *obtain* the profit and not that which *creates* the surplus value.